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AGREEMENT
BETWEEN
VILLAGE OF MONSANTO
AND
VILLAGE OF MONSANTO SANITARY DEVELOPMENT AND RESEARCH ASSOCIATION

THIS AGREEMENT, made and entered into this 12th day of January, 19 66, by and between the Village of Monsanto, a municipal corporation organized and existing under the laws of the State of Illinois (hereinafter sometimes referred to as the "Village"), and the Village of Monsanto Sanitary Development and Research Association, a not-for-profit corporation organized and existing under the laws of the State of Delaware, and qualified to conduct its affairs in the State of Illinois (hereinafter sometimes referred to as the "Association");

WITNESSETH, THAT:

WHEREAS, the Village has deemed it necessary for its public health and welfare and better sanitary conditions to promote and procure the construction and installation of extensions and improvements to the sewer system of the Village and the construction of a plant (hereinafter sometimes referred to as "said plant") for the treatment and disposal of sewage and other wastes and has authorized the issuance of and has issued bonds in the aggregate principal sum of Two Million Two Hundred and Thirty Thousand Dollars (\$2,230,000.00) in order to finance the construction of same and has engaged Metcalf and Eddy, Engineers (hereinafter sometimes referred to as the "Engineers") to design and submit plans and specifications for and to supervise the construction of such facilities, including said plant; and

WHEREAS, the Engineers have submitted said design, plans and specifications and are now supervising the construction of said facilities and said plant; and

WHEREAS, the Association is interested in the effectual treatment and disposal of sewage in the Village and, through its members,

has access to sources of research and is knowledgeable and experienced with respect to sewage treatment and disposal matters, including sewage treatment plants and the construction, maintenance, operation and management of such plants; and

WHEREAS, the Association has offered to advise and assist the Village and to perform for the Village, at the Association's cost, certain services in connection with sewage treatment and disposal matters, as hereinafter set forth, provided that, in order to justify its making the requisite commitments and assuming its obligations, as herein provided, this Agreement shall cover a period of not less than the period provided for in paragraph 7 hereof; and

WHEREAS, in order to provide for the safe, efficient and economical construction, operation and use of the aforesaid facilities for its benefit and protection and for the benefit and protection of the bondholders and the inhabitants of the Village and the territories to be served by the aforesaid facilities, the Village desires to avail itself of such advice and assistance and services offered by the Association and, to that end, by Ordinance No. 312, has authorized the execution by the Village of this Agreement.

NOW, THEREFORE, in consideration of the premises and of the mutual covenants and agreements herein set forth, the Village and the Association agree as follows:

1. The Village shall consult the Association (a) with respect to all matters pertaining to the treatment, disposal, control and regulation of sewage, including but not limited to, consultations with respect to designs for, construction of and additions and improvements to said plant and any other plant for the treatment and disposal of sewage to be constructed in or on behalf of the Village during the term of this Agreement and any related facilities to any such plant and any other facilities (such as, for example, pumping stations, sewer mains, trunks and lines) which may have a significant effect upon the use and operation of any such plant, and (b) with respect to any proposed ordinances or rules or regulations relating to the regulation or treatment or discharge of sewage and other wastes or the use of any of the sewage facilities of the Village. The Association shall render advice concerning

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such matters to the Village, to the Engineers, to any successor Engineers and to any other person, firm or corporation engaged directly or indirectly in the performance of any services or the furnishing of any materials in connection with any such matter (it being understood that, in connection with any such matters pertaining to any such plant or related facilities, the Village shall engage such successor Engineers and such other persons, firms or corporations as shall be approved by the Association).

The term "related facilities" as hereinabove in this paragraph 1 and wherever elsewhere used in this Agreement in conjunction with a plant for the treatment and disposal of sewage shall include (i) any waste treatment facilities specifically installed and constructed for use in connection with such plant (such as, for example, sewer lines transmitting wastes from any pumping station to settling basins or other treatment facilities, sewer lines transmitting wastes from any settling basins or other treatment facilities into any pumping station or to any point for direct river outfall, and basins, lagoons and landfill areas for the treatment or deposits of wastes), and (ii) any facilities as shall from time to time be specifically designated by written agreement between the Village and the Association.

2. All plans and specifications for the construction of any plant for the treatment and disposal of sewage (including said plant) and any related facilities, additions or improvements thereto shall be subject to the approval of the Association and, upon any such approval, the Village shall proceed with such construction. (It is understood that the execution of this Agreement by the Association shall serve as its approval of the plans and specifications heretofore referred to which have already been submitted by the Engineers.)

3. The Association shall manage, maintain and operate said plant and any other plant hereafter constructed for the treatment and disposal of sewage and any related facilities to any such plant. The Association shall conduct such research, make such studies, perform such tests and take such other action as the Association shall deem to be necessary or advisable in connection with the efficient, safe and economical use, maintenance and operation of any such plant and related facilities and,

for such purposes, the Association shall employ such employees, engage such independent contractors, purchase such services, supplies, equipment, materials and insurance as the Association shall deem advisable, it being understood that the Association will, in any event, acquire and maintain during the term of this Agreement liability insurance in which the Village and its Trustees shall be included as named insureds, such insurance to be carried with a nationally reputable insurer in at least an amount which such insurer shall deem adequate in the premises.

4. For the Association's services hereunder, the Village shall pay to the Association, from time to time and as herein provided, amounts equal to the Association's costs and expenses paid or accrued in the performance of such services. Costs and expenses shall include not only direct costs and expenses of the Association (such as, by way of example and not by way of limitation, wages of employees, amounts paid independent contractors engaged by the Association, administrative expenses, amounts paid for purchasing services, supplies, equipment, materials and insurance, research and testing costs, and other miscellaneous costs and expenses paid or accrued by the Association in the performance of its obligations hereunder) but also appropriate reserves, as shall be determined by the Association, for items which may not regularly recur but which may reasonably be expected to be incurred and for emergencies.

5. (a) The Association shall keep accurate records of its costs and expenses which shall be available for examination by the Village at any reasonable time and shall furnish the Village, on or before the 5th day of each month, a statement showing costs and expenses as herein defined paid or accrued for the preceding month.

(b) The Village shall pay to the Association on or before the 25th day of each month the total amount of costs and expenses paid and accrued by the Association for the preceding month as shown on the statement for such month, as aforesaid.

(c) At such time as said plant is in operation the Association shall include on each such monthly statement a list of the users of said plant and related facilities for such month and the percentage of each user's use of said plant and such related facilities in relation to the total use thereof by all users during such month, the percentage

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in each such instance to be determined by the Association in accordance with acceptable practices in the premises. Each month the Village shall charge and collect from each user such user's proportionate share of the total cost and expenses for the preceding month as shown on the appropriate statement to be submitted by the Association to the Village, as aforesaid, and all amounts so collected shall be deposited and retained by the Village in a separate fund for the payment to the Association of amounts due it by the Village hereunder, and amounts deposited to such fund shall be used by the Village for no other purpose. Except as provided in subparagraph (d) below, the Village shall not charge any user in connection with the use of said plant and such related facilities any amount in excess of such user's pro rata monthly charge, in accordance with the monthly statements to be submitted by the Association, aforesaid. Any contract entered into by the Village with any person, firm or corporation, providing for the use by such person, firm or corporation of said plant and such related facilities, shall provide that the charges to be made for such use shall be in accordance with, and subject to, the provisions of this Agreement.

The foregoing provisions of this subparagraph (c) shall also be applicable to any other plant and related facilities hereafter constructed in or on behalf of the Village for the treatment and disposal of sewage.

(d) Prior to the time when said plant is in operation, the Village shall give to the Association an interest free loan in the amount of Twenty Five Thousand Dollars (\$25,000.00) together with such additional amounts as may be necessary to cover any and all expenses incurred by the Association hereunder, and, at such time as said plant is in operation, the Village shall recover from the users of said plant and related facilities the aggregate amount advanced hereunder by the Village to the Association by amortizing such aggregate amount over such number of months, but not less than twelve, as shall be determined by the Village, and by charging each user for each such month the same percentage of such amortized amount as shall be applied to the aggregate costs and expenses of the Association for such month in determining such user's share of such month's costs and expenses; provided, however,

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that the Association may notify the Village that a user's share of the aggregate amount advanced hereunder prior to the time when said plant is in operation, shall be different from the percentage determined, as aforesaid, in which case the amounts of such advancement to be charged to and collected from any such user shall be in accordance with such notification.

6. The Association is hereby designated by the Village as its sole representative during the term of this Agreement for the performance of the Village's functions under any ordinance enacted by the Village relating to the regulation of the treatment or discharge of sewage and other wastes or the use of any of the sewerage facilities.

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7. This Agreement shall remain in full force and effect for a period of thirty (30) years from the date hereof.

8. The provisions of this Agreement are severable and, if any of said provisions shall be held to be invalid by any court of competent jurisdiction, the decision of such court shall not affect or impair all other provisions hereof which can be given effect without such invalid provisions.

IN WITNESS WHEREOF, the Village of Monsanto, a municipal corporation, has caused its corporate name to be signed hereto by Leo Sauget, its President, and its corporate seal to be hereunto affixed and attested by George J. Ogden, its Village Clerk, and the Association has caused its name to be signed hereto by John R. McElain, its Chairman, and attested by Paul E. Hodges, its Secretary, and its corporate seal to be hereunto affixed and attested by its Secretary, all thereunto duly authorized.

ATTEST:

VILLAGE OF MONSANTO

George J. Ogden
Village Clerk

By Leo Sauget
President, Board of Trustees,
Village of Monsanto, Illinois

ATTEST:

VILLAGE OF MONSANTO SANITARY
DEVELOPMENT AND RESEARCH ASSOCIATION

Paul E. Hodges
Secretary

By John R. McElain
Chairman

Each of the undersigned users (including prospective users) of any plant for the treatment and disposal of sewage and related facilities referred to in the aforesaid Agreement agrees to pay to the

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Village the amount to be charged each month against such user as pro-
vided in paragraph 5 of said agreement, it being understood that such
user shall be under no obligation to pay any charge with respect to
any month during which such user shall not have used any such plant
or related facilities.

Malcol Oil Co. Dec. 22, 1965
By H. A. Tully, Pres. Mgr.

American Iron Co. of Illinois Dec 22, 1965
By H. H. H. H.

CERRA COPPER & BRASS COMPANY
DIVISION OF CERRA CORPORATION
By H. H. H. H. Dec 22, 1965

MONSANTO COMPANY Dec. 22, 1965

By E. J. R. M. M.

Wm. D. R. R. Dec 22, 1965
By G. H. H. H.

Stirling Steel Casting Co. Dec 29, 1965
By J. O. H. H.

By _____, 19____

By _____, 19____

By _____, 19____

By _____, 19____

By _____, 19____

By _____, 19____